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AZ CORP COMMISSION DOCUMENT CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF BLACK MOUNTAIN SEWER CORPORATION, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR **INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICES** BASED THEREON.

2800 NORTH CENTRAL AVENUE, SUITE 1100

PHOENIX, ARIZONA 85004-1043 TELEPHONE (602) 240-3000 FACSIMILE (602) 240-6600

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Attorneys for the Town of Carefree

No. SW-02361A-05-0657

Arizona Corporation Commission DOCKETED

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EXCEPTION OF THE TOWN OF CAREFREE

The Town of Carefree (the "Town" or "Carefree"), agrees with the conclusion of the proposed opinion and order that "the evidentiary record in this case amply supports the appropriateness of, and the need for, imposition of odor remediation requirements as a condition of granting the rate relief' sought by Black Mountain Sewer Corporation ("BMSC"). The proposed opinion and order is well reasoned and well supported in law and fact. The Town has only a minor factual exception to bring to the attention of the Arizona Corporation Commission.

The minor factual exception the Town has to the proposed opinion and order relates to the description of the cause of the Boulders community odor problems on

page 32, lines 12 through 17:

According to Carefree witness Francom, the odors in the Boulders community are attributable to two problems: the long retention time that sewage sits in the Boulders line, thereby allowing the sewage to become septic (Tr. 283-285); and "positive pressure" between the CIE Lift Station and the Boulders WWTP due to the fact that the lines between the lift station and discharge manholes in the Boulders community are pressurized, but are gravity lines from the Boulders manholes to the WWTP. (*Id.*)

According to the testimony of Stanley Francom, the Town's public works superintendent and former operator of the sewer system now operated by BMSC, sewage is subject to long retention times in two pressurized pipes that run from the CIE Lift Station to the Boulders manhole. Sewage is released from the pressurized pipes into the Boulders manhole and the gravity line from the Boulders manhole to the WWTP. The retention time allows approximately 18 to 20 thousand gallons to build up in the pressurized pipes between the CIE Lift Station and the Boulders manhole before it is released into the Boulders manhole and gravity line that runs through the Boulders community to the WWTP. The surge of sewage released into in the Boulders manhole and gravity line increases the air pressure in the gravity line forcing air within the gravity line to escape. As such, the Town would suggest the following modifications to the above-quoted language:

According to Carefree witness Francom, the odors in the Boulders community are attributable to two problems: the long retention time that sewage sits in BETWEEN the CIE LIFT STATION AND THE Boulders MANHOLE line, thereby allowing the sewage to become septic (Tr. 283-285); and "positive pressure" CREATED IN THE BOULDERS MANHOLE AND GRAVITY LINE WHEN SEWAGE IS RELEASED FROM THE PRESSURE PIPES FROM THE CIE LIFT STATION AND INTO THE BOULDERS MANHOLE AND GRAVITY LINE THAT FORCES SEWER ODORS OUT OF THE BMSC SYSTEM WITHIN THE BOULDERS COMMUNITY, INCLUDING THE ODORS CAUSED BY

THE LONG RETENTION TIMES IN THE PRESSURIZED PIPES 1 BETWEEN THE CIE LIFT STATION AND BOULDERS MANHOLE the 2 CIE Lift Station and the Boulders WWTP due to the fact that the lines between the lift station and discharge manholes in the Boulders community 3 are pressurized, but are gravity lines from the Boulders manholes to the 4 WWTP. (Id.) 5 Other than this minor factual exception, the Town fully supports the proposed opinion 6 and order. 8 RESPECTFULLY SUBMITTED: November 15, 2006. 9 MOHR, HACKETT, PEDERSON, BLAKLEY 10 & RANDOLPH, P.C. 11 12 Thomas K. Chenal 13 David W. Garbarino Suite 155 14 7047 East Greenway Parkway Scottsdale, Arizona 85254 15 Attorneys for the Town of Carefree 16 17 ORIGINAL and 13 COPLES of the foregoing filed Septem 18 2006 with: 19 Arizona Corporation Commission Docket Control 20 1200 Washington Street Phoenix, AZ 85007 21 COPIES of the foregoing hand-delivered 22 September 5, 2006 to: trenber 23 The Honorable Dwight D. Nodes Administrative Law Judge 24 Hearing Division Arizona Corporation Commission 25 1200 Washington Street Phoenix, AZ 85007 26 27 /// /// 28

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